



United States
Department of
Agriculture

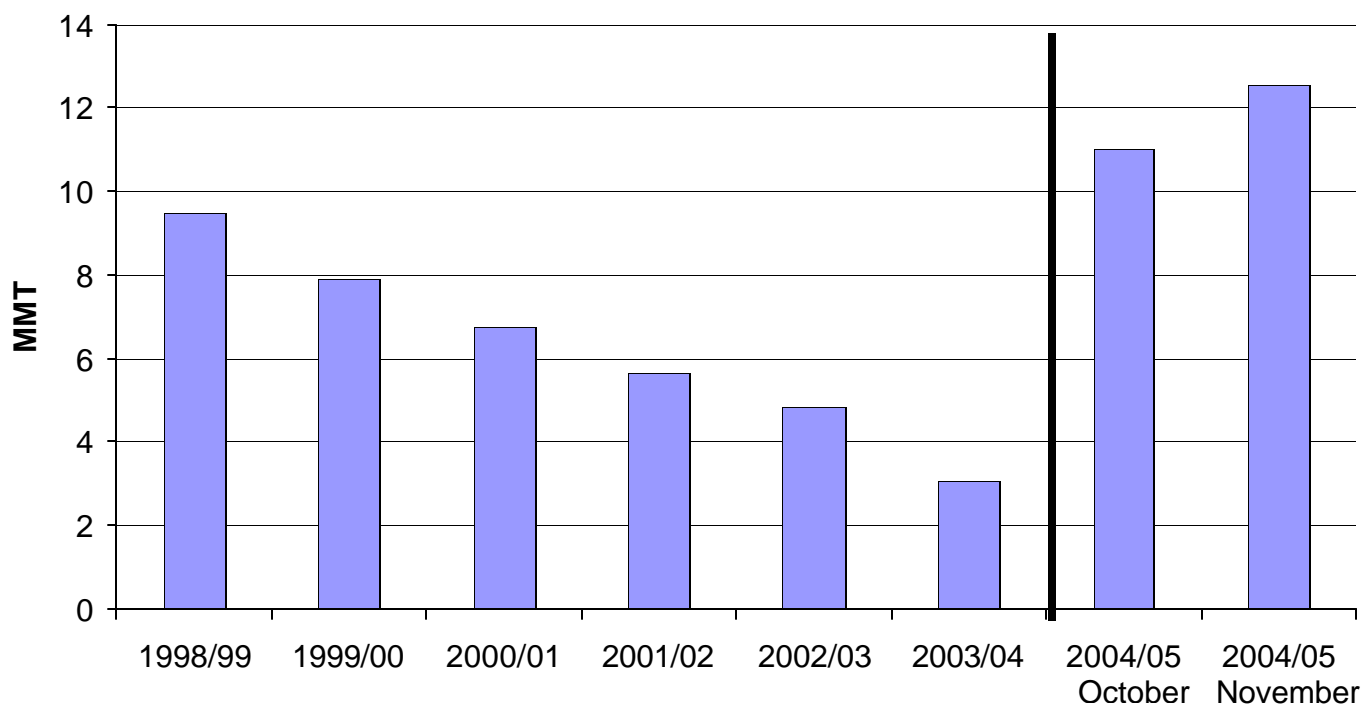
Foreign
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Oilseeds: World Markets and Trade

U.S. Stocks Approach Record Levels

U.S. Soybean Ending Stocks



In 2004/05, the U.S. soybean supply situation has made an about face, going from one of the tightest in recent history to one of the most abundant. With record production and lackluster global demand, U.S. soybean stocks are forecast to increase to 12.5 MMT in 2004/05, up 1.5 MMT from the October forecast. This is the largest stock level since 1985/86 when stocks reached a record high of 14.6 MMT.

USDA's November crop report raised the U.S. soybean production estimate by 1.2 MMT boosting an already record production and yield in 2004/2005 to 85.7 MMT and 42.6 bu/ac. Despite the increase in production, U.S. soybean exports were lowered this month by 400,000 MT due to sluggish global demand growth for soybeans and products in 2004/05. While global soybean production is forecast to increase 40.6 MMT from 2003/04, consumption of soybeans is forecast to expand by only 16.8 MMT pushing forecast ending stocks in the U.S. and South America to near record levels.